

6 December 2024

*To the Independent Board Committee and the Independent Shareholders*

**China Industrial Securities International Financial Group Limited**

32/F, Infinitus Plaza

199 Des Voeux Road Central

Hong Kong

Dear Sir and Madam,

**CONTINUING CONNECTED TRANSACTION –  
RENEWAL OF THE 2021 SERVICE AGREEMENT**

**INTRODUCTION**

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the entering into of the 2024 Service Agreement and the transactions contemplated thereunder (including the annual caps for the three years ending 31 December 2027), details of which are set out in the “Letter from the Board” contained in the circular of the Company dated 6 December 2024 (the “**Circular**”). Terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

References are made to the 2021 Announcements, containing among other things, (i) the non-exempt connected transaction in relation to the 2021 Service Agreement with a term for three years from 1 January 2022 to 31 December 2024; and (ii) the announcement of the Company dated 15 November 2024 in relation to, among other things, the renewal of the 2021 Service Agreement for a further term of three years from 1 January 2025 to 31 December 2027.

As the 2021 Service Agreement will expire on 31 December 2024, on 15 November 2024 (after trading hours), the Company and Industrial Securities (Shenzhen) entered into the 2024 Service Agreement to renew the 2021 Service Agreement for a further term of three years from 1 January 2025 to 31 December 2027.

## **LISTING RULES IMPLICATIONS**

Industrial Securities (Hong Kong) is a controlling shareholder of the Company. As at the Latest Practicable Date, Industrial Securities (Hong Kong) directly holds 2,270,525,644 Shares, representing approximately 56.76% of the issued share capital of the Company. As Industrial Securities (Shenzhen) is a subsidiary of Industrial Securities (Hong Kong), Industrial Securities (Shenzhen) is a connected person of the Company. Therefore, the transactions contemplated under the 2024 Service Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios as defined under the Listing Rules in respect of the largest annual caps under the 2024 Service Agreement exceed 5% and that the total consideration is more than HK\$10,000,000, the transactions contemplated under the 2024 Service Agreement (including the annual caps in relation thereto) are subject to the annual review, reporting, announcement, circular (including independent financial advice) and the approval by the Independent Shareholders at the EGM under Chapter 14A of the Listing Rules.

## **THE INDEPENDENT BOARD COMMITTEE**

The Independent Board Committee comprising all the independent non-executive Directors, namely Ms. Hong Ying, Mr. Tian Li and Mr. Qin Shuo, has been established to advise the Independent Shareholders as to (i) whether the terms of the 2024 Service Agreement are fair and reasonable; (ii) whether the transactions contemplated under the 2024 Service Agreement are entered into in the ordinary and usual course of business of the Group, on normal commercial terms, and in the interests of the Company and the Shareholders as a whole; and (iii) how to vote at the EGM, taking into account the recommendations of the Independent Financial Adviser.

## **THE INDEPENDENT FINANCIAL ADVISER**

As the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, our role is to give an independent opinion to the Independent Board Committee and the Independent Shareholders as to (i) whether the terms of the 2024 Service Agreement are fair and reasonable; (ii) whether the transactions contemplated under the 2024 Service Agreement are entered into in the ordinary and usual course of business of the Group, on normal commercial terms, and in the interests of the Company and the Shareholders as a whole; and (iii) how the Independent Shareholders should vote in respect of the resolution relating thereto to be proposed at the EGM.

We have not acted as independent financial adviser or provided any other services in relation to any transactions of the Company in the last two years prior to the date of the Circular. Pursuant to Rule 13.84 of the Listing Rules, and given that remuneration for our engagement to opine on the 2024 Service Agreement is at market level and not conditional upon successful passing of the resolution to be proposed at the EGM, and that our engagement is on normal commercial terms, we are independent of and not associated with the Company, its controlling shareholder(s) or connected person(s).

## **BASIS OF OUR ADVICE**

In formulating our opinion, we have reviewed, amongst others (i) the annual report of the Company for the year ended 31 December 2023 (the “**2023 Annual Report**”); (ii) the interim report of the Company for the six months ended 30 June 2024 (the “**2024 Interim Report**”); (iii) the 2024 Service Agreement; (iv) the interim report of Industrial Securities for the six months ended 30 June 2024; (v) sample invoices and management reports as mentioned under the paragraph headed “3.1 Principal terms of the 2024 Service Agreement”; and (vi) other information set out in the Circular.

We have also relied on the statements, information, opinions and representations contained or referred to in the Circular and/or provided to us by the Company, the Directors and the management of the Group (the “**Management**”). We have assumed that all the statements, information, opinions and representations for matters relating to the Group contained or referred to in the Circular and/or provided to us by the Company, Directors and the Management were reasonably made after due and careful enquiry and were true, accurate and complete at the time they were made and continued to be so as at the date of the EGM. The Independent Shareholders will be informed as soon as practicable when there are any material changes to the information contained in the Circular which will affect our opinion as well as changes to our opinion, if any, before the date of the EGM. The Directors collectively and individually accept full responsibility, including particulars given in compliance with the Listing Rules for the purpose of giving information with regards to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other facts the omission of which would make any statement in the Circular misleading.

We have no reason to believe that any such statements, information, opinions or representations we relied on in forming our opinion are untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render them untrue, inaccurate or misleading. We consider that we have been provided with and have reviewed sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent investigation into the business, financial conditions and affairs or the future prospects of the Group.

## PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our recommendation, we have taken into consideration the following principal factors and reasons set out below:

### 1. BACKGROUND INFORMATION

#### 1.1 Information of the Group

The Company is an investment holding company. The Group is principally engaged in the provision of brokerage services, margin financing services, corporate finance services, asset management services and financial products and investments.

##### 1.1.1 Financial information of the Group

Set out below is a summary of (i) the audited consolidated financial information of the Group for the financial years ended 31 December 2022 (“**FY2022**”) and 2023 (“**FY2023**”) respectively, which has been extracted from the 2023 Annual Report; and (ii) the unaudited consolidated financial information of the Group for the six months ended 30 June 2023 (“**6M JUNE 2023**”) and 2024 (“**6M JUNE 2024**”) respectively, which has been extracted from the 2024 Interim Report.

	For the year ended 31 December		For the six months ended 30 June	
	2022	2023	2023	2024
	HK\$	HK\$	HK\$	HK\$
	(audited)	(audited)	(unaudited)	(unaudited)
Total revenue	258,004,188	543,354,617	251,335,997	418,874,972
(i) Commission and fee income	223,210,519	166,897,751	95,510,693	141,299,173
(ii) Interest revenue	49,393,205	121,850,597	46,076,263	72,773,734
(iii) Net trading and investment income	(14,599,536)	254,606,269	109,749,041	204,802,065
<b>Profit (loss) for the year/period</b>	<b>(297,402,416)</b>	<b>54,564,283</b>	<b>62,193,981</b>	<b>88,669,217</b>

##### FY2023 vs FY2022

The Group’s operating revenue derives from (i) brokerage; (ii) corporate finance; (iii) asset management; (iv) margin financing; and (v) financial products and investments.

Of the total revenue, commission and fee income represented (i) commission and fee income from brokerage services such as securities brokerage, futures and options brokerage and insurance brokerage; (ii) income from corporate finance services, such as commission income on placing, underwriting of debt and equity securities, sponsor fee income and arrangement fee income; and (iii) asset management and investment advisory fee income. Interest revenue represented interest income from reverse repurchase agreements, debt investments at fair value through other comprehensive income, debt investment at amortised cost and margin financing. Net trading and investment income represented (i) interest income and dividend from financial assets; (ii) net loss on financial assets; (iii) interest income from derivatives; (iv) net gain on derivatives; (v) net gain on financial liabilities; (vi) dividend income from equity instruments; and (vii) net gain on disposal of debt investments.

For FY2023, the Group achieved an operating revenue of HK\$543.35 million (2022: HK\$258.00 million), representing a year-on-year increase of 110.60%. For FY2023, the net profit after tax of the Group amounted to HK\$54.56 million (2022: net loss of HK\$297.40 million). The aforesaid turnaround from loss to profit is mainly due to the growth in revenue from the Group's core business of wealth management, financial products and investments.

#### 6M JUNE 2024 vs 6M JUNE 2023

During 6M JUNE 2024, the Group recorded operating revenue of HK\$418.87 million (2023: HK\$251.34 million), representing an increase of HK\$167.53 million; and net profit was HK\$88.67 million (2023: HK\$62.19 million), representing an increase of HK\$26.48 million. The increase in profit was mainly attributable to the significant growth in revenue from the Group's core business of wealth management, corporate finance, financial products and investments.

In addition, in 6M JUNE 2024, the Group's operating revenue from wealth management services, corporate finance services, asset management services, financial products and investments recorded an increase of approximately 26.21%, an increase of approximately 103.08%, a decrease of approximately 3.79% and an increase of approximately 87.17% year-on-year, respectively.

### **1.2 Information of Industrial Securities (Shenzhen)**

Industrial Securities (Shenzhen) is mainly engaged in the provision of consultancy services to the Group. Industrial Securities (Shenzhen) is the subsidiary of Industrial Securities (Hong Kong), and Industrial Securities (Hong Kong) is a wholly-owned subsidiary of Industrial Securities. Industrial Securities is one of the leading securities firms in the PRC and listed on the Shanghai Stock Exchange (stock code: 601377).

### **1.3 Information of Industrial Securities (Hong Kong)**

Industrial Securities (Hong Kong) is mainly engaged in financial holding, financial service and investment. Industrial Securities (Hong Kong) is a wholly-owned subsidiary of Industrial Securities. Industrial Securities is one of the leading securities firms in the PRC and listed on the Shanghai Stock Exchange (stock code: 601377).

### **1.4 Information of Industrial Securities**

Industrial Securities is a controlling shareholder of the Company, the shares of which are listed on the Shanghai Stock Exchange (stock code: 601377). The principal business of Industrial Securities includes securities brokerage, securities underwriting and sponsorship, securities investment consulting, proprietary trading, financial advisory services, margin finance, distribution of funds and financial products, custody of funds and provision of intermediary business for futures companies in the PRC. Set out below a summary of financial position of Industrial Securities:

	<b>As at 30 June 2024 (RMB'000) (Approximate)</b>	<b>As at 31 December 2023 (RMB'000) (Approximate)</b>
Total assets	265,611,689	273,611,445
Total liabilities	204,064,627	212,640,804
Total equity	61,547,061	60,970,642

*Source: Industrial Securities' interim report for the six months ended 30 June 2024.*

## **2. REASONS FOR AND BENEFITS OF ENTERING INTO OF THE 2024 SERVICE AGREEMENT**

By entering into the 2024 Service Agreement would lower the staff and other operating costs for the Group as the staff costs are comparatively lower in the PRC than Hong Kong. In addition, apart from staff costs, operating costs would also be reduced due to the fact that employees of the Group in Hong Kong would not be required to conduct frequent travels to the PRC for visiting clients and suppliers. Industrial Securities (Shenzhen) had provided consultancy services to the Group prior to the listing of the shares of the Company in 2016. Industrial Securities (Shenzhen) continued to provide consultancy services to the Group since the listing of the Company in 2016 and began to provide a broader scope of services to the Group in 2018. Since 2015, Industrial Securities (Shenzhen) had been serving the Group as its only customer and has acquired substantial experience in handling the Group's needs. We noted from the Management that the Group is satisfied with the respective service quality as Industrial Securities (Shenzhen) had always provided the Services to the Group in a timely and reliable manner.

Furthermore, with Industrial Securities (Shenzhen) being a subsidiary of one of the largest securities firms in the PRC (i.e. Industrial Securities), the co-operation with Industrial Securities (Shenzhen) could enhance the Group's reputation in the PRC as well as providing assurance and confidence to the Group's customers in the PRC. Lastly, as the Services may involve sensitive information, it would be difficult and/or impracticable for the Group to outsource such services to third party service providers.

Having considered that (i) engaging Industrial Securities (Shenzhen) can lower the operating costs of the Group; (ii) Industrial Securities (Shenzhen) possess experience in providing relevant services to the Group in a timely and reliable manner; (iii) the co-operation with Industrial Securities (Shenzhen) can potentially enhance the branding of the Group; and (iv) engaging Industrial Securities (Shenzhen) allows the Group's sensitive information to be contained, we are of the view that the entering into of 2024 Service Agreement and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole.

In addition, taking in account the Group's aforementioned principal business and results of operation as mentioned under the paragraph headed "1.1.1 Financial information of the Group" where the Group is involved in businesses relating to (i) brokerage; (ii) corporate finance; (iii) asset management; (iv) margin financing; and (v) financial products and investments, the Services under the 2024 Service Agreement are in the ordinary and usual course of business of the Group.

### **3. THE RENEWAL THE 2021 SERVICE AGREEMENT**

#### **3.1 Principal terms of the 2024 Service Agreement**

Set out below are the principal terms of the 2024 Service Agreement:

Date: 15 November 2024

Parties: (1) The Company  
(2) Industrial Securities (Shenzhen)

Term: From 1 January 2025 to 31 December 2027

Scope of services: (i) logistics management services to the Group, including but not limited to provision of client visits, answering customer service calls, and financial settlement services;  
(ii) information consultancy services (excluding licensing information consultancy services), including but not limited to the provision of consultancy services on economic information and delivery and consultancy services on business information;

- (iii) corporate management services, including but not limited to personnel training services;
- (iv) software development services; and
- (v) information technology consultancy services, including but not limited to the provision of cross-border information technology support

Service fee: Cost plus a mark-up of 6%, representing the value-added tax of 6% on the revenue of Industrial Securities (Shenzhen)

The Company is the only customer of Industrial Securities (Shenzhen), therefore all of the actual costs incurred by Industrial Securities (Shenzhen) represent the costs as stated above and are mainly comprised of its staff costs, office expenses and other operation costs. Industrial Securities (Shenzhen) operates a separate bank account with its parent company and the Company pays the service fee directly to the said bank account operated by Industrial Securities (Shenzhen).

#### ***Pricing policy***

The service fee to be charged by Industrial Securities (Shenzhen) for providing the Services is the actual cost of services with 6% mark-up, which represents the value-added tax of 6% on the revenue of Industrial Securities (Shenzhen) without further mark-up to earn a profit. As such, assuming the cost of services are the same, the pricing policy allows the Group to obtain services from Industrial Securities (Shenzhen) at a more competitive price than any other profit-making service providers. In assessing the fairness and reasonableness of the pricing policy, we have enquired the Management and noted that Industrial Securities (Shenzhen) will issue an invoice each month for the service fees incurred during the relevant month. As such, we have conducted sample checks of the monthly management accounts of Industrial Securities (Shenzhen) containing actual cost of services rendered and the relevant invoices issued by Industrial Securities (Shenzhen) to the Group from January 2022 to July 2024. In particular, we had conducted a systematic method of sampling and had selected and obtained 11 samples from each of the first month of every quarter during such period. As the sampling was conducted in a systematic way, we are of the view that the sample size of 11 samples is sufficient. Upon reviewing these samples, we noted that the pricing is in line with the above pricing policy. As such, we are of the view that the pricing policy of the 2024 Service Agreement is fair and reasonable and is in the interest of the Company and the Shareholders as a whole.



### ***Undertakings of Industrial Securities (Shenzhen)***

We noted the undertakings of Industrial Securities (Shenzhen) are in the interest of the Company as (i) the Group's needs of services are in priority to other customers of Industrial Securities (Shenzhen), if any; (ii) the Group is entitled to the most favourable terms as compared to other customers of Industrial Securities (Shenzhen), if any; and (iii) the Group is able to maintain the flexibility of sourcing similar services through other service providers if such services are on more favourable terms to the Group.

### **3.2 The annual caps of the 2024 Service Agreement**

Set out below are the historical transaction amount under the 2021 Service Agreement (with a term from 1 January 2022 to 31 December 2024) and the annual caps for the two years ended 31 December 2022 and 2023 and for the seven months ended 31 July 2024:

	<b>For the year ended/ending</b>		
	<b>2022</b>	<b>2023</b>	<b>31 July 2024</b>
	<i>(HK\$ million)</i>	<i>(HK\$ million)</i>	<i>(HK\$ million)</i>
Service fee paid by the Group to Industrial Securities (Shenzhen)	25.2	19.1	8.3 <i>(Note)</i>
Annual caps	59	94	145
Utilisation rate of the annual caps	42.7%	20.3%	9.8% <i>(Annualised)</i>

*Note:* Up to 31 July 2024

As advised by the Management, the historical transaction amount for the two years ended 31 December 2022 and 2023 and the seven months ended 31 July 2024 were relatively low as compared to the respective annual caps due to a decrease in demand of the Services such as logistics management services to be provided to the Group's clients in mainland China and fluctuations in the Company's operating results. The service fees paid by the Group during the seven months ended 31 July 2024 does not include performance bonus, which is typically determined and paid in the second half of the calendar year.

Set out below are the proposed annual caps proposed under the 2024 Service Agreement for the three years ending 31 December 2027 (the “**Service Annual Caps**”):

	<b>For the year ending 31 December</b>		
	<b>2025</b>	<b>2026</b>	<b>2027</b>
	<i>(HK\$ million)</i>	<i>(HK\$ million)</i>	<i>(HK\$ million)</i>
Proposed annual caps	32	46	62

Each of the annual caps is calculated and rounded up to the nearest one million.

As advised by the Management, the proposed annual caps are determined after taking into account: (i) the actual service fee paid for the two years ended 31 December 2022 and 2023 and the seven months ended 31 July 2024; (ii) the estimated increase in staff costs; (iii) the estimated office expenses; and (iv) other operation costs.

We understand from the Management that the principal assumptions adopted in the calculation are determined based on the Group's understanding with Industrial Securities (Shenzhen), which had considered the expected increase in number of staff to support the future increase in demand of services due to business development of the Group.

### ***Staff costs***

Based on the actual staff costs for the year ended 31 December 2023 and the seven months ended 31 July 2024, it is expected that for each of the years ending 31 December 2025, 2026 and 2027, the increase in staff costs of Industrial Securities (Shenzhen) will be mainly due to:

- (i) the increase in headcount of Industrial Securities (Shenzhen).

As at 31 July 2024, there were 27 employees in Industrial Securities (Shenzhen). The Company expects the number of staff of Industrial Securities (Shenzhen) will increase and it is expected that there will be 5, 10, 15 and 15 new hires for each of the years ending 31 December 2024, 2025, 2026 and 2027 respectively. The Management advised that the increase in number of employees is mainly to serve the organic growth of the Group's demand in the Services for its wealth management business as well as corporate finance business. We noted that the Group achieved a net profit of approximately HK\$54.6 million for the year ended 31 December 2023, a record high for the five years from 2019 to 2023, and a net profit of approximately HK\$88.7 million for the six months ended 30 June 2024, which is higher than the full year net profit in 2023.

In addition, we have discussed with the Management and noted that the Company is undergoing a business structure transformation and upgrade, which is expected to increase the demand for IT services to support future business operations. This is evidenced by the Company's recent enrollment as one of the 14 licensed corporations eligible to participate in the Cross-boundary Wealth Management Connect Pilot Scheme (跨境理財通試點計劃) in the Guangdong-Hong Kong-Macao Greater Bay Area.

- (ii) the estimated increase in salary for the existing and new employees.

We noted that the Management estimates 6% increase in employee salaries, which aligns with the annual average salary growth for employees in urban non-private entities in Shenzhen in 2023. The annual average salary growth rate for employees in urban non-private entities in Shenzhen are compiled and announced by the Bureau of Statistics of Shenzhen (深圳市統計局). From the website of the Bureau of Statistics of Shenzhen (深圳市統計局), we noted that the annual average salary growth rates for employees in urban non-private entities in Shenzhen from 2021 to 2023 were 11.6%, 5.9% and 6.0% respectively; therefore, we believe that the 6% estimate increase is reasonable.

- (iii) the estimated increase in performance bonuses and social welfare expenses accompanying with the increase in number of staff and salary.

We noted from the Management that the increases in performance bonuses and social welfare expenses are generally in line with the increase in number of staff and salary. The performance bonus is estimated as a percentage to the basic salaries. Our review of historical performance bonus data from 2021 to 2023 indicates that bonus amounts accounted for approximately 43% to 53% of basic salaries. The percentage used for the estimation for 2025 to 2027 falls within this historical range. We believe this approach aligns with historical performance distribution patterns, provides operational flexibility for the Company and is reasonable.

Having considered that (i) the Group's demand on the Services correlates with its business scale and new business opportunities from the participation in the Cross-boundary Wealth Management Connect Pilot Scheme; (ii) the estimated growth rate in salary aligns with the annual average salary growth for employees in urban non-private entities in Shenzhen in 2023; and (iii) the estimated increase in performance bonuses and social welfare expenses are generally in line with the increase in number of staff and salary, we are of the view that the estimated staff costs of Industrial Securities (Shenzhen) is justifiable.

#### ***Office expenses and other operation costs***

The office expenses will remain to be approximately RMB1.3 million (equivalent to approximately HK\$1.4 million) for each of the years ending 31 December 2025, 2026 and 2027 due to the purchase of additional office furniture and equipment of the office.

Other operation costs include networking and travel expenses, labour outsourcing expenses and miscellaneous expenses. We have obtained and reviewed the calculation from the Management and noted that the increase in such costs are estimated based on the increase in the number of staff.

### ***Section summary***

Having considered that (i) the Service Annual Caps are an estimate of the highest possible cost of services of Industrial Securities (Shenzhen) plus 6%, representing the value-added tax of 6% on the revenue of Industrial Securities (Shenzhen); (ii) the annual caps of the 2024 Service Agreement are determined based on the understanding between the Group and Industrial Securities (Shenzhen); and (iii) although the historical transaction amounts were relatively low compared to the respective annual caps, the assumptions and basis of the calculation of the annual caps are justifiable, we are of the view that the annual caps of the 2024 Service Agreement are fair and reasonable.

## **4. INTERNAL CONTROL MEASURES**

According to the “Letter from the Board”, the finance department of the Company will prepare monthly management report to closely monitor the transactions under the 2024 Service Agreement to ensure that the aggregate transaction amounts will not exceed the relevant annual caps; if the relevant annual caps have nearly been fully utilised, the finance department will issue warnings to the relevant business department.

As the 2024 Service Agreement is a renewal from the 2021 Service Agreement, we have obtained and reviewed monthly management reports for January 2022, January 2023 and January 2024 and noted that the reports set out the aggregate transaction amount of the continuing connected transactions during the respective month. As such, we are of the view that such internal control measures are effective and have been adhered to.

Pursuant to Rule 14A.55 of the Listing Rules, the independent non-executive Directors must review the continuing connected transactions every year and confirm in the Company’s annual report whether the transactions have been (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms; and (iii) in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Pursuant to Rule 14A.56 of the Listing Rules, the Management confirmed that the Company will engage its auditors to report on the Group’s continuing connected transactions for each of the years ending 31 December 2025, 2026 and 2027. We have obtained and reviewed the auditors’ assurance report on continuing connected transactions for each of the years ended 31 December 2022 and 2023 and noted the Company had complied with Rule 14A.56 of the Listing Rules.

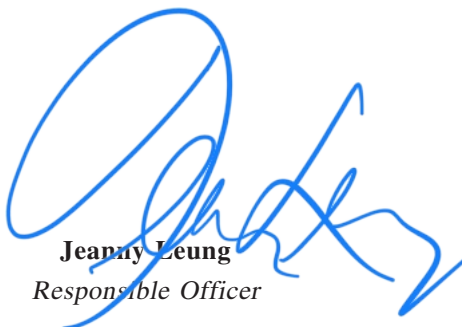
## RECOMMENDATION

Having considered the above principal factors, we are of the view that:

- (i) the terms of the 2024 Service Agreement are fair and reasonable; and
- (ii) the transactions contemplated under the 2024 Service Agreement are entered into in the ordinary and usual course of business of the Group, on normal commercial terms, and in the interests of the Company and Shareholders as a whole.

Accordingly, we would recommend the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the resolution in relation to the 2024 Service Agreement at the EGM.

Yours faithfully  
For and on behalf of  
**Altus Capital Limited**



**Jeanny Leung**  
Responsible Officer



**Leo Tam**  
Responsible Officer

*Ms. Jeanny Leung (“Ms. Leung”) is a Responsible Officer of Altus Capital Limited licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO and permitted to undertake work as a sponsor. She is also a Responsible Officer of Altus Investments Limited licensed to carry on Type 1 (dealing in securities) regulated activity under the SFO. Ms. Leung has over 30 years of experience in corporate finance advisory and commercial field in Greater China, in particular, she has participated in sponsorship work for initial public offerings and acted as financial advisor or independent financial advisor in various corporate finance advisory transactions.*

*Mr. Leo Tam (“Mr. Tam”) is a Responsible Officer of Altus Capital Limited licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO and permitted to undertake work as a sponsor. He has over ten years of experience in corporate finance and advisory in Hong Kong, in particular, he has participated in sponsorship work for initial public offerings and acted as financial adviser or independent financial adviser in various corporate finance transactions. Mr. Tam is a certified public accountant of the Hong Kong Institute of Certified Public Accountants.*